

Act, end discrimination under the guise of “religious liberty” once and for all, and reestablish our “first freedom” to its Constitutional founding.

SHELDON ADELSON APPRECIATED

HON. JOE WILSON

OF SOUTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 13, 2021

Mr. WILSON of South Carolina. Madam Speaker, my wife Roxanne and I will always be appreciative of Sheldon and Miriam Adelson who hosted us on a visit to Israel with a boat ride on a first century replica fishing boat on the Sea of Galilee. I am grateful to serve as a co-chair of the Israel Caucus, Sheldon Adelson was a valued Friend of Israel.

He is honored by Jonathan Garber of Fox Business with an obituary upon his death and our family extends our deepest sympathy to the Adelson Family.

Sheldon Adelson, [Las Vegas Sands CEO] . . . has died following a battle with cancer. He was 87.

Adelson was diagnosed with non-Hodgkin's lymphoma in 2019 and recently stepped away from the company to resume his treatment, the company said on Jan. 7.

‘Mr. Adelson was the first employee of Las Vegas Sands—“Team Member Number One” he liked to say. Today, more than 50,000 Sands team members have Dr. Adelson and the entire Adelson family in their thoughts and prayers and are grateful to have had their lives touched by a true force of nature,’ according to a statement from Las Vegas Sands.

Adelson, who is survived by his wife Dr. Miriam Adelson and five children, had a net worth of \$35.6 billion as of Jan. 11, according to Forbes.

A funeral will be held in Israel, the birthplace of Miriam Adelson, with plans for a memorial service held in Las Vegas to be announced at a later date, according to the company.

He entered the casino business in 1989 when he purchased the Sands Hotel and Casino in Las Vegas for \$128 million and is credited with helping transform Las Vegas into the top U.S. destination for conventions and exhibitions.

Adelson in 2007 opened Venetian Macao on the Cotai Strip, helping recreate the Las Vegas Strip in an autonomous region of the People's Republic of China. Three years later, he opened the \$6 billion Marina Bay Sands resort in Singapore.

In conclusion, God Bless our Troops and we will never forget September 11th in the Global War on Terrorism.

INTRODUCTION OF JONES ACT MODERNIZATION BILLS

HON. ED CASE

OF HAWAII

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 13, 2021

Mr. CASE. Madam Speaker, today I introduce three bills to end a century of monopolistic closed market domestic cargo shipping to and from my isolated home state of Hawaii as well as the other island and separated jurisdictions of our country not part of the continental United States. In doing so, we will break the

stranglehold on the peoples and economies of these exposed communities and their resulting sky-high costs of living which results from just a few domestic shipping companies controlling the lifeline of commerce upon which we absolutely depend.

These bills all amend the Merchant Marine Act of 1920, also known as the Jones Act. That federal law mandates that all cargo shipping between U.S. ports occur exclusively on U.S., not foreign, flagged vessels. Additionally, the law requires that these vessels be built in the U.S. and owned and crewed by U.S. citizens.

The Jones Act was enacted in a protectionist era under the guise of preserving a strong national merchant marine. But today it is just an anachronism: most of the world's shipping is by way of an international merchant marine functioning in an open, competitive market. And those few U.S. flag cargo lines that remain have maneuvered the Jones Act to develop virtual monopolies over domestic cargo shipping to, from and within our most isolated and exposed locales—our island and offshore states and territories—that have no alternative modes of transportation such as trucking or rail.

My Hawaii is a classic example. Located almost 2,500 miles off the West Coast, we import well over 90 percent of our life necessities by ocean cargo. There are plenty of international cargo lines who could and would compete for a share of that market. Yet only two U.S. flag domestic cargo lines—Matson Navigation and Pasha Hawaii—operate a virtual duopoly over our lifeline.

While they are nominally subject to federal regulation, the fact of the matter is that cargo prices have gone in only one direction—up, fast and repeatedly, despite a surplus of international shipping—and it is indisputable that there is no downward market pressure which would otherwise result from meaningful competition. These accelerating cargo prices are not absorbed by the shipping lines, but passed through all the way down the chain, to the transporters, wholesalers, retailers, small businesses, mom-n-pops and ultimately consumers, of all of the elementals of life, from food to medical supplies, clothes, housing and virtually all other goods. The result is a crippling drag on an already-challenged economy and the very quality of life in Hawaii.

The broadest, deepest effects of the Jones Act on Hawaii result from its impact on west-bound imports from the continental United States to Hawaii. But Hawaii is an export location as well, in key products such as agriculture and livestock. Here the Jones Act also effectively stifles meaningful competition in getting those products to their primary markets on the U.S. Mainland. Because the producers of these products and all that rely for their own livelihood on their successful export have to eat inflated shipping costs, these export industries, which any economist knows are the ultimate key to any economy's prosperity, are also crippled.

Let's take a concrete example: Hawaii's once-prosperous ranching/cattle industry, which is so key to the economic health and the very lifestyle of so much of areas like the rural Big Island, where I was born and raised. That industry depends on getting its product, young cattle, to West Coast pens and transportation hubs in a cost-efficient manner.

There are foreign cargo carriers that specialize, through custom cattle ships and overall

sensitivity and adjustment to rancher time-tables and needs, in such transport, but the Jones Act outright excludes them from the Hawaii-Mainland market. As a result, Hawaii's ranchers are reduced to two crippling, cost magnifying options.

The first is to ship their cargo by foreign carriers to Canada, where they have to go through a myriad of bureaucratic, cost-magnifying gyrations to get their product eventually to their U.S. markets. The second is to beg for the goodwill of the domestic carriers, to whom this is simply a hindrance rather than a major commitment, to ship directly to the West Coast.

And it shows: most of the cattle are first shipped from Hawaii's Neighbor Islands, where the bulk of the cattle industry is located, to O'ahu, in small “cow-tainers,” where they sit for days in Honolulu Harbor awaiting the return to the Mainland of one of the massive cargo ships designed and utilized for quite another purpose. The result (besides associated higher costs) is in-harbor cattle waste disposal challenges, higher in-transit cattle mortality and lower-weight cattle delivery to market. That's what happens when you try to squeeze a square peg into a round hole.

More broadly, there is much evidence about the direct impact of the Jones Act on shipping prices to noncontiguous areas. At a basic level, the everyday goods that we rely on in Hawaii cost much more than on the Mainland, a difference which largely cannot be attributed to anything other than shipping costs.

Last year, the Grassroot Institute of Hawaii published a thorough and first-of-its-kind report, “Quantifying the Cost of the Jones Act to Hawaii.” The report found that:

The median annual cost of the Jones Act to the Hawaii economy is \$1.2 billion.

The annual cost of shipping to Hawaii is estimated to be \$654 million higher and prices \$916 million higher.

The Jones Act annually costs each Hawaii resident more than \$645.

Thanks to the Jones Act, Hawaii has approximately 9,100 fewer jobs, representing \$404 million in wages.

Hawaii families across all income groups would benefit from Jones Act reform. In the absence of Jones Act restrictions, those making between \$15,000 and \$70,000 annually would see an annual across-the-board economic benefit ranging from \$78 million to \$154 million.

Annual tax revenues would be \$148.2 million higher.

Focusing solely on the Jones Act requirement that vessels be built in the United States, they found that the build provision results in a 1.2 percent shipping cost increase for Hawaii. This translates annually to an added cost of \$531.7 million to the state's economy, or about \$296 per resident. It also means a loss of 3,860 jobs, and \$30.8 million less in state and local tax revenues.

In 2012, the Federal Reserve Bank of New York studied Puerto Rico's economy and found that “the high cost of shipping is a substantial burden on the Island's productivity.” The New York Fed found that, “[i]t costs an estimated \$3,063 to ship a twenty-foot container of household and commercial goods from the East Coast of the United States to Puerto Rico; the same shipment costs \$1,504 to nearby Santo Domingo (Dominican Republic) and \$1,687 to Kingston (Jamaica)—destinations that are not subject to Jones Act restrictions.” There is only one reason why costs